

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity improved to ₦294.27 billion from ₦46.40 billion reported yesterday. Consequently, the Open Repo Rate (OPR) declined by 74bps to 28.22%, while the Overnight Rate (O/N) fell by 74 bps to 28.97%.

Outlook: We expect interbank rates to increase slightly higher tomorrow.

Treasury Bills

The treasury bills traded mixed today, but settled on a bullish note, given stronger cares for select maturities scattered across the curve. At the closing bell, average mid-rate fell by 18bps to settle at 19.44%.

Outlook: We expect players to continue to cherry-pick papers at profitable levels.

FGN Bonds

The FGN bonds market stay calm, despite the sustained interest on some papers throughout the session, including 2028, 2031, 2034, 2049 and 2053 maturities. Nevertheless, market closed flat as average mid-yield stayed at 18.43%.

Outlook: We expect a similar trend tomorrow.

Eurobonds

The African Eurobonds market swung across the regions today. While Nigeria and Angola's curve started off mixed and ended the session bearish, Ghana maintained a bullish bias throughout the session. Meanwhile, the US initial jobless claims data increased from 209k to 231k, which also surpassed 214k consensus estimate. Overall, average mid-yield on Nigeria's curve increased by 4bps to 9.60%.

Outlook: We expect the volatility to persist tomorrow.

AiICO Money Market Fund (AMMF)

(As of 7th May 2024) 15.3287%

Date	Sys. Liq. (₦'bn)	Diff.
9-May-24	294.27	
8-May-24	-46.39	↑ 340.66

Source: CBN

Macro Indicators

GDP (Q4 2023)	+3.46% (Q3: 2023 +2.54% y/y)
Inflation (March'2024)	33.20% (Feb'24: 31.70%)
External Reserve (US\$ billion)	32.37 (-1.65% YTD)
Monetary Policy Rate	24.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*82.46 (+0.35 d/d)

Source: NBS, CBN, AiICO Capital

Benchmark T-Bills Discount Rates

	09-May-24	08-May-24	Change in Rates
77 days	18.05%	18.05%	→ 0.00%
168 days	18.73%	18.73%	→ 0.00%
322 days	21.35%	21.35%	→ 0.00%

Source: FMDQ DQL for 09 May 2024

Benchmark FGN Bond Yields

	09-May-24	08-May-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	18.45%	18.45%	→ 0.00%
10 yrs: 12.50% 27-Apr-2032	19.31%	19.31%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	17.59%	17.59%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	17.56%	17.56%	→ 0.00%

Source: FMDQ DQL for 09 May 2024

Benchmark FGN Eurobond Yields

	09-May-24	08-May-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.50%	8.45%	↑ 0.05%
10 yrs: NGERIA 7.875 02/16/32	9.84%	9.79%	↑ 0.05%
15 yrs: NGERIA 7.696 23/02/38	10.29%	10.24%	↑ 0.05%
30 yrs: NGERIA 9.248 01/21/49	10.18%	10.16%	↑ 0.02%
7.125% ECOTRAN 16/02/26*	7.50%	7.50%	→ 0.00%

Source: ZENITH UK Runs for 09 May 2024

Nigerian Equities

The Nigerian Equity market traded sideways, with gains on GTCO (+5.26%), TRANSCORP (+2.78%) and ZENITHBANK (+0.59%) dwarfed by some selloffs on DANGSUGAR (-4.96%) and AIRTELAFRI (-0.35%). Hence, the All-Share Index gained 0.03% to settle at 98, 255.72 points. The year-to-date return and market capitalization settled at 31.40% and ₦55.57 trillion, respectively.

Trading activity improved today, with 111.99% and +81.56% in total volume and total value traded. The Banking and Industrial Goods Indices appreciated by 1.06% and 0.04%, respectively, while the Consumer Goods Index declined by 0.54%. NB led the total volume and value charts with 300.36 million units and N6.91 billion.

Outlook: *We expect the mixed sentiment to resurface tomorrow.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by ₦38.67 (or 2.72%) to \$/₦1,459.73 compared to \$/₦1,421.06 recorded yesterday.

Outlook: *We expect volatility to persist in the interim.*

Commodities

Oil prices rose today as falling U.S. crude inventories and higher Chinese imports supported expectations for demand growth in the world's two largest crude-consuming nations. Brent crude increased by 0.02% to \$83.60 per barrel, while WTI increased by 0.08% to \$79.05 per barrel. Gold price gained 0.62% to \$2,336.40 per ounce.

Outlook: *We expect the volatility to persist.*

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
LEARNAFRCA	3.30	0.30	↑ 10.00%
TANTALIZER	0.42	0.03	↑ 7.69%
MBENEFIT	0.58	0.03	↑ 5.45%
GTCO	40.00	2.00	↑ 5.26%
OANDO	10.70	0.50	↑ 4.90%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
PZ	30.80	-3.40	↓ -9.94%
SOVRENINS	0.38	-0.04	↓ -9.52%
HONYFLOUR	3.01	-0.27	↓ -8.23%
AFRIPRUD	6.45	-0.40	↓ -5.84%
JAIZBANK	2.28	-0.12	↓ -5.00%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.03%	↓ -0.51%	↑ 0.03%	↑ 31.40%
NSE Banking Index	↑ 1.06%	↑ 4.05%	↑ 7.38%	↓ -7.32%
NSE Insurance Index	↑ 0.47%	↑ 1.70%	↑ 2.38%	↑ 20.82%
NSE Industrial Goods Index	↑ 0.04%	↑ 0.07%	↑ 0.07%	↑ 72.93%
NSE Consumer Goods Index	↓ -0.54%	↓ -0.13%	↑ 0.44%	↑ 38.47%
NSE Oil & Gas Index	→ 0.00%	↓ -1.26%	↓ -0.32%	↑ 21.17%

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